

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

SEVEN UP BOTTLING CO OF RENO

Nevada Industry Excellence

Seven Up Bottling Co of Reno Improves Competitiveness with Lean

Client Profile:

Seven Up Bottling Company is the only soft drink bottler in the state of Nevada, and a third generation family-owned company. The company was established in 1905 as Chism Ice Cream Co., distributing its own formula ice cream to cafes, hotels, and stores. The company is now one of the oldest and most successful family-owned businesses in Northern Nevada. Seven Up Bottling Company of Reno expanded into the beverage bottling business in 1933 and employs 90 people at its facility in Reno, Nevada, with branches in Boise, Idaho and Chico, California.

Situation:

Seven Up Bottling Company of Reno was facing a number of challenges when Nevada Industry Excellence (formerly the Nevada Management Assistance Partnership), a NIST MEP network affiliate, contacted them with an opportunity of using a U.S. Department of Labor (DOL) grant to help food and beverage manufacturers train their workforce and implement Lean manufacturing tools. The major challenges that they were facing included increased price competition and high turn-over in their hourly workforce. After a thorough assessment of their operations, it was decided the objectives of the project would be to bring Seven-Up Bottling Company of Reno to the next level of employee commitment and pride, product quality, customer service, and efficiency. The measurements of success would be reduced employee turnover, reduced product returns, 5S (Sort, Set in Order, Shine, Standardize, Sustain) facility score, and yield and efficiency in production.

Solution:

Nevada Industry Excellence created a team of Seven-Up employees, Nevada Industry Excellence resources, and outside consultants, Tom Fabrizio of Lean Manufacturing Tools and Marcel Shearer of International Professional Development Services (IPDS, L.L.C.), to focus on the objectives set out in the assessment. The first project was to train and implement 5S throughout the plant to help instill pride in the workplace and make the environment more attractive to co-pack clients. This was accomplished through a combination of classroom training and hands-on implementation in the production areas. The second project focused on the bottling line where change over and set-ups were holding back the line from producing the products needed at the time they were needed. The set-ups and changeovers were filmed and then analyzed with the people performing these activities. The operators came up with ideas on how to reduce the time it took to perform their roles in the changeovers and set ups. These procedural changes were documented and implemented along with a small investment in tools and changes to the production line.

Results:

* Increased sales by \$137,000

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- * Realized \$12,500 in cost savings.
- * Invested \$1,700 in new tools.

Testimonial:

"Nevada Industry Excellence has been instrumental in helping us be more competitive in the markets we serve. I look forward to additional assistance from Nevada Industry Excellence as we continue to improve our operational efficiencies to remain competitive in the ultra-competitive beverage markets."

Mark Cerfoglio, VP of Operations